

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN

UNITED STATES OF AMERICA § Claim No: 1999A16372

§  
vs. §  
§

Phyllis R. Farr

**COMPLAINT**

TO THE HONORABLE UNITED STATES DISTRICT COURT JUDGE:

The United States of America, plaintiff, alleges that:

**Jurisdiction**

1. This Court has jurisdiction over the subject matter of this action pursuant to Article III, Section 2, U.S. Constitution and 28 U.S.C. § 1345.

**Venue**

2. The defendant is a resident of Wayne County, Michigan within the jurisdiction of this Court and may be served with service of process at 9620 Grandville, Detroit, Michigan 48228.

**The Debt**

3. The debt owed the USA is as follows:

A. Current Principal ( <i>after application of all prior payments, credits, and offsets</i> )	\$2,009.14
B. Current Capitalized Interest Balance and Accrued Interest	\$2,538.59
C. Administrative Fee, Costs, Penalties	\$0.00
D. Credits previously applied ( <i>Debtor payments, credits, and offsets</i> )	\$0.00
E. Attorneys fees	\$0.00
<b>Total Owed</b>	<b>\$4,547.73</b>

The Certificate of Indebtedness, attached as Exhibit A", shows the total owed excluding

attorney's fees and CIF charges. The principal balance and the interest balance shown on the Certificate of Indebtedness is correct as of the date of the Certificate of Indebtedness after application of all prior payments, credits, and offsets. Prejudgment interest accrues at the rate of 8.000% per annum.

**Failure to Pay**

4. Demand has been made upon the defendant for payment of the indebtedness, and the defendant has neglected and refused to pay the same.

WHEREFORE, USA prays for judgment:

- A. For the sums set forth in paragraph 3 above, plus prejudgment interest through the date of judgment, all administrative costs allowed by law, and post-judgment interest pursuant to 28 U.S.C. § 1961 that interest on the judgment be at the legal rate until paid in full;
- B. For attorneys' fees to the extent allowed by law; and,
- C. For such other relief which the Court deems proper.

Respectfully submitted,

By: s/Charles J. Holzman (P35625)  
Holzman Corkery, PLLC  
Attorneys for Plaintiff  
Tamara Pearson (P56265)  
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Southfield, Michigan 48034  
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**U.S. DEPARTMENT OF EDUCATION  
SAN FRANCISCO, CALIFORNIA**

**CERTIFICATE OF INDEBTEDNESS**

Phyllis R. Farr  
9620 Grandville  
Detroit, MI 48228-0000

SSN:

I certify that Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 05/07/99.

On or about 06/01/2189, the borrower executed promissory note(s) to secure loan(s) of \$2,604.00 from National City Bank Student Loan Processing Center, East Lansing MI at 8.00 percent interest per annum. This loan obligation was guaranteed by Great Lakes Higher Education Corporation and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 CFR. Part 682). The holder demanded payments according to the terms of the note(s), and credited \$0.00 payments to the outstanding principle owed on the loan(s). The borrower defaulted on the obligation on 06/16/92 and the holder filed a claim on the guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$2,796.12 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. The guarantor attempted to collect the debt from the borrower. The guarantor was unable to collect the full amount due, and on 07/12/95 assigned its right and title to the loan(s) to the Department.

Since assignment of the loan, the Department has received a total of \$1,245.00 in payments from all sources, including Treasury Department offsets, if any. After application of these payments, the borrower now owes the United States the following:

Principal:	\$2,009.14
Interest:	\$627.00
Administrative/Collection Costs	\$0.00
Late Fees:	\$0.00
Total debt as of 05/07/99:	\$2,636.14

Interest accrues on the principal shown here at the rate of \$0.44 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 6/25/09

Name: Phyllis R. Farr

Title: Loan Analyst

Branch: Litigation

JUN 9 2

## STAFFORD LOAN APPLICATION AND PROMISSORY NOTE

## SECTION 1-TO BE COMPLETED BY THE BORROWER "IMPORTANT-READ THE INSTRUCTIONS CAREFULLY"

1. Social Security Number	2. Last Name	First Name	Middle Initial	3. Birthdate
111	Phyllis	FARR		18
4. Permanent Home Address	City, State, Zip Code		5. Area Code/Telephone No.	
9620 Grandville	Det mi 48228		313-2723841	
6. United States Citizenship Status (Check One) <input checked="" type="checkbox"/> a. U.S. Citizen/National <input type="checkbox"/> b. Eligible non-citizen (Alien # <i>include COPY of front and back of card</i> ) <input type="checkbox"/> c. Neither of the above	7. You are a permanent resident of what state? State <i>Michigan</i> Mo <i>5/10/81</i> Year		8. State of Driver's License <i>Michigan</i> Driver's Lic. # <i>116</i> State of Veh. Reg. <i>Michigan</i> Since <i>1-12</i>	
9. Year Period From <i>4/81</i> To <i>5/80</i>	10. Loan Amount Requested <i>\$2625</i>	11. Major Purpose of study <i>Psychology</i>	12. List post secondary institutions you have attended including dates	
13. Have you ever defaulted on a Stafford Loan, PLUS/SLS or Consolidation Loan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes", see instruction		14. Have you received a Stafford Loan, PLUS/SLS or Consolidation Loan for a period of enrollment before July 1, 1988? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
15. List below all Stafford Loan, PLUS/SLS and Consolidation Loans. Do not list loans from NDSL or HEAL Loans. Continue on a separate sheet if necessary. If none write "NONE".				

Name of Lender	City and State of Lender	Loan Type	Loan Period Beginning Date	Interest Rate	Unpaid Balance
<i>none</i>					

16. Wisconsin Residents Only. Marital Status: <input type="checkbox"/> married <input checked="" type="checkbox"/> unmarried or <input type="checkbox"/> legally separated	17a. Parent or Guardian (If deceased, other relative) Name: <i>Connie FARR</i> Relationship: <i>Mother</i>	17b. Other Relative (not living at 17a or 17c or 4) Name: <i>Sharon FARR</i> Relationship: <i>SISTER</i>	17c. Other Relative or Friend (not living at 17a or 17b or 4) Name: <i>Barbara FARR</i> Relationship: <i>SISTER</i>
Address: <i>9620 Grandville</i>	Address: <i>16177 Indiana</i>	Address: <i>16177 Indiana</i>	Address: <i>16177 Indiana</i>
City/State/Zip: <i>Det. mich</i>	City/State/Zip: <i>Det. mi 48228</i>	City/State/Zip: <i>Det. mi 48228</i>	City/State/Zip: <i>Det. mi 48228</i>
Area Code/Telephone No.:	Area Code/Telephone No.:	Area Code/Telephone No.:	Area Code/Telephone No.:
Place and City of Employment <i>Michigan, Det</i>	Place and City of Employment <i>Det, mi.</i>	Place and City of Employment <i>Det, mi.</i>	Place and City of Employment <i>Det, mi.</i>

## Promissory Note for a Stafford Loan

I Promise to Pay I, called Maker identified in Section 1, Item 2 and "Endorser," if any, identified in Section 18a, promise to pay to the Lender identified in Section 3, Item 35 when this Note becomes due as set forth in paragraph 6 (on reverse side), the sum of

*2625*

DOLARS

18a. Requested Loan Amount - Must be the same as Item 15

*2625* or such lesser amount as is advanced to me and identified in the Stafford Loan Disclosure Statement, plus interest computed at the applicable rate disclosed in paragraph 3 (on reverse side) and on the Stafford Loan Disclosure Statement. If I am not satisfied with the terms of the loan on the Stafford Loan Disclosure Statement, I may cancel this agreement. I agree to check my lender immediately and will not cash any loan check that has been released to me. I agree to check the Stafford Loan Disclosure Statement as soon as I get it and to let my lender know if anything looks wrong or if there are questions. My signature certifies that I have read and agreed to the conditions and authorizations stated in the "Endorser Certification" printed on the reverse side.

NOTICE TO THE MAKER: DO NOT SIGN THIS BEFORE YOU READ THE WRITING ON THE REVERSE SIDE EVEN IF OTHERWISE ADVISED. YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT. MAKER AND ENDORSER ACKNOWLEDGE RECEIPT OF AN EXACT COPY OF THIS NOTE AND THE STATEMENT OF BORROWER'S RIGHTS AND RESPONSIBILITIES.

*Phyllis FARR*

18b. Maker's Signature

*6-21-89*

Date

18c. Endorser's Signature

(Seal)

Date

Endorser's Name (Please Print)

*ERIN FARR 9620 Grandville*

Endorser's Soc. Sec. No.

Endorser's Address

## SECTION 2-TO BE COMPLETED BY THE SCHOOL. [See back of "School Copy C" for instructions]

19. Name of School <i>Alabama State University</i>	20. Address <i>915 S Jackson Montgomery, AL 36195</i>	City, State, Zip Code	21. Area Code/Telephone No <i>205-293-4325</i>			
22. School Code <i>001005</i>	23. Enrollment Status <i>Full-time</i>	24. Dependency <i>Dep</i>	25. Loan Period From <i>8/23/89</i> To <i>5/12/90</i>	26. Grade <i>1</i>	27. Anticipated Grad. Mo. <i>5/93</i>	28. Est. Cost of <i>\$ 6496</i>
29. Est. Fin. Aid <i>\$ 2150</i>	30. E.F Contribution <i>\$ 1742</i>	31. Approved Loan Amount <i>\$ 2625</i>	32. 1st Disbursement Date <i>9-23-89</i>	33. 2nd Disbursement Date <i>1-8-90</i>		

I have read and understand the terms of the "School's Certification" printed on the REVERSE SIDE of this application.

34. Signature of School Official *Connie FARR*

Nadine Tyus, Fin. Aid Counselor

10-05-89

Date

35. Name of Lender *National City Bank Student Loan Processing Center*36. Street Address *P.O. Box 1448*City, State Zip Code *East Lansing, MI 48826-1448*37. Lender Code *808877*

38. Entity Number

9. Area Code/Telephone No *1-800-318-4143*43. Signature of Student Loan Official *Wanda Kocot*Wanda Kocot, Consumer Credit Officer  
Print Name and Title

Date

LENDER  
COPY A

I CERTIFY UNDER PENALTY OF PERJURY  
THAT THIS IS A TRUE AND EXACT COPY  
OF THE ORIGINAL PROMISSORY NOTE

Sara Fitzgerald 5-7-99  
NAME DATE